

Kennecott Utah Copper
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Kelly L. Payne, P.G.
Manager - Environment

cc: Leslie

RECEIVED

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DIV. OF OIL, GAS & MINING

15 November 2012

VIA EMAIL AND US MAIL

Mr. Paul Baker
Utah Division of Oil, Gas & Mining
P.O. Box 145801
Salt Lake City, Utah 84114 - 5801

Subject: Q3 2012 Quarterly Reclamation Report
M/035/002 Bingham Canyon; M/035/009 (Barneys Canyon);
M/035/011 (Copperton Concentrator); M/035/015 (North Tailing);
M/045/004 (Pine Canyon)

Dear Mr. Baker:

Please find attached the Q3 2012 Kennecott Utah Copper reclamation reporting register. This register is submitted to provide the Division with a current status of reclamation activities planned (or additional) for 2012. Kennecott's intent is to submit this voluntary report no later than 45 days after the end of any calendar quarter.

Please contact Thiess Lindsay (801-569-6066) should you have any questions concerning this submittal.

Thank you and your staff for your continued cooperation.

Regards,



Kelly L. Payne, P.G.
Manager - Environment

Enclosure

cc: Leslie Heppler (UDNR-UDOGM)

M&P	PLANT	AREA / PROJECT	2012							
			Planned ¹							
			ERT	Experimental	Condition	Status	% Complete			
						Q1	Q2	Q3	Q4	
M/036/0002	Bingham Canyon	Lower Bingham Canyon waste rock disposal area @ between 6660 & 6390 section	(1) Fertilize areas of stressed vegetation @ ~30 acres			Evaluating fertilization potential	0%	0%	0%	
M/036/0003	Bingham Canyon	Lower Bingham Canyon waste rock disposal area @ 6390 section		(1) Fertilizer comparison field trial: Monitoring @ year 2		Field trial evaluation completed in Q2, report anticipated in Q4 2012	0%	80%	80%	
M/036/0002	Bingham Canyon	Bingham Canyon waste rock disposal area @ between 6190 & 6390 section	(1) Plant ~2000 seedlings in area reclaimed in 2011 @ 25 acres			Installation scheduled for October 2012	0%	0%	0%	
M/036/0002	Bingham Canyon	Lower Bingham Canyon waste rock disposal area @ 6190 section (Approx. 2 acre area)		(1) Continue survey and analysis of 2:1 slope test area		Periodic field observations of 2:1 slope continue	(1) 0%	(1) 30%	(1) 75%	
M/036/0002	Bingham Canyon	Various test plots & established vegetation at Bingham Canyon Mine (BCM)	Vegetation Monitoring (1) Various test plots associated with BCM (2) monitoring for seedling success associated with Bingham Canyon Reclamation (3) Vegetation condition monitoring across BCM (native and reclaimed)			Field trial evaluation completed in Q2, report anticipated in Q4 2012	0%	80%	80%	
M/036/0002	Bingham Canyon	Soil nutrient monitoring	(1) Sample and laboratory analysis of soil nutrients and condition across BCM historic reclamation (2) Review and reporting			Field trial evaluation completed in Q2, report anticipated in Q4 2012	0%	80%	80%	
M/036/0002	Bingham Canyon	Code 22 soil salvage	(1) Salvage and stockpile native soils associated with Code 22 dump expansion			Approximately 24,480 yd ³ salvaged and stockpiled for future use	0%	100%	100%	
M/036/0002	Bingham Canyon	South Pushback Soil Salvage Pioneering Work	(1) Continued soil salvage and stockpile from south pushback as practical as part of the pioneering work			Availability is currently being assessed	0%	0%	0%	
M/036/0002	Bingham Canyon	Store and Release Cover (Keystone)		(1) Field visit by O'Kane Consultants and continued technical support (2) Continue to collect meteorological and infiltration data		(1) First of 2 field visits and calibrations completed in Q2 2012; Second scheduled for October 2012 (2) Data acquisition continues as scheduled	(1) 0% (2) 25%	(1) 50% (2) 60%	(1) 50% (2) 75%	
M/036/0002	Bingham Canyon	Store and Release Cover (Bingham Canyon Area) and infiltration monitoring		(1) Bingham Canyon Area - Infiltration monitoring of native soils and historic reclamation (2) Bingham Canyon Area - Store and release cover modeling (3) Bingham Canyon - Store and release cover field trial installation		(1) Data acquisition continues; calibration completed in Q2 2012. Second calibration scheduled for October 2012 (2) Modeling completed in Q2 (3) Proposal drafted; field trial placed on hold	(1) 25% (2) 75% (3) 0%	(1) 60% (2) 100% (3) 85%	(1) 50% (2) 100% (3) 100%	
M/036/0002	Ore Haulage	Abandonment of 5.3 Miles of Track - Copperton Low Line		(1) Remove track ties (2) Remove and deposit ballast (3) Regrade and revegetate		Rail ties and ballast removed for the entire area. Third party owners have requested areas to not be returned to natural state.	(1) 75% (2) 61% (3) 50%	(1) 100% (2) 100% (3) 100%	(1) 100% (2) 100% (3) 100%	
M/036/0003	Ore Haulage	Abandonment of 6.0 Miles of Track - Copperton High Line		(1) Remove track ties (2) Remove and deposit ballast (3) Regrade and revegetate		(1) ~5.5 miles of ties and rail removed (2) ~2.3 miles of ballast removed (3) 0 miles regraded/reclaimed	(1) 60% (2) 0% (3) 0%	(1) 60% (2) 10% (3) 0%	(1) 90% (2) 38% (3) 0%	
M/036/0002	South Tailing	Entire	(1) Application of Limestone up to 100 acres			Limestone delivered 1st part of Q3	0%	0%	42%	
M/036/0009	Barneys Canyon	Entire	None planned in 2011			None completed in 2011	(1) N/A	(1) N/A	(1) N/A	
M/036/0011	Concentrator	Entire	None planned in 2012			None completed in 2012	(1) N/A	(1) N/A	(1) N/A	
M/036/0015	North Tailing	Entire	(1) Place growth media on final outer slopes of 100 acres @ target depth of 18" (2) Seed soil (3) Condition soil as needed			(1) Placed soil on 100 acres @ 18"-24" thick (2) seed @ 100 acres, (3) straw and fertilizer @ 100 acres	(1) 10% (2) 0% (3) 0%	(1) 63% (2) 15% (3) 38%	(1) 100% (2) 100% (3) 126%	
M/036/0016	North Tailing	Entire	Reclaim 100 acres			In process	0%	35%	46%	
M/045/0004	Pine Canyon	Entire	None planned in 2012			None completed in 2012	(1) N/A	(1) N/A	(1) N/A	

¹2012/2022 Board Presentation and/or 2010/317 Reclamation Activities Plan

²Extend a minimum average, of \$50,000 - 1975 dollars per year for each three year period, in maintaining a program of experimentation and in the application of BAT toward rehabilitation of land.

Mine BAT/Rec includes rental, maintenance and operation of equipment, seed/seeding, fertilizer/mulch/limestone application and purchase.

³Information incorporates GHG reclamation activities assessment

⁴These amounts are budgeted and will be applied on an "as needed" basis dependent upon field conditions.

⁵Data collection is anticipated for the next two to five years